



POLICY FLASH 2012-53

DATE: July 18, 2012

TO: Procurement Directors


FROM: Director, Contract and Financial Assistance Policy Division
Office of Acquisition and Project Management

SUBJECT: Accelerating Payment to Small Business Subcontractors

SUMMARY: OMB Memorandum M-11-32, “Accelerating Payment to Small Businesses for Goods and Services” established an Executive Branch policy to pay small business invoices as quickly as practicable, with a goal of paying within 15 days. As a follow-up, OMB has issued Memorandum M-12-16 (attached) in order to similarly accelerate payment to small business subcontractors. In order to do so, the memorandum states that “agencies should, to the full extent permitted by law, temporarily accelerate payments to all prime contractors, in order to allow them to provide prompt payments to small business subcontractors. Of note, this memorandum does not affect the application of the Prompt Payment Act's CPPA) late-payment interest penalty provisions”.

DOE will immediately begin accelerating payments of all approved invoices in Vendor Invoice Approval Systems, with a goal of paying within 15 days. Accordingly, approving officials should attempt to review and approve invoices within 10 calendar days. This will leave the Office of the Chief Financial Officer sufficient time to process payments. Even though all payments will now be expedited, it is important for approving officials to continue to check the “small business” block (as applicable) for tracking purposes.

This Flash will be available online at the following website:
<http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes>.

Questions concerning this policy flash should be directed to Jason Taylor of the Contract and Financial Assistance Policy Division, Office of Policy, Office of Acquisition and Project Management at (202) 287-1945 or at jason.taylor@hq.doe.gov.

Attachments